

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4082-07
Bill No.: SCS for HCS for HJR 64
Subject: Constitutional Amendments; Elections; Secretary of State
Type: Original
Date: May 11, 2010

Bill Summary: This resolution proposes a constitutional amendment changing the laws regarding elections and voting rights.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$0 or (More than \$7,000,000)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0 or (More than \$7,000,000)	\$0 to (Unknown)	\$0 to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a previous version of this proposal, officials from the **Office of the Governor** and the **Department of Revenue** each assumed the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Health and Senior Services** assume the proposal will not have a fiscal impact on their agency.

Officials from the **Office of the Attorney General (AGO)** assume costs can be absorbed with existing resources. Because AGO is responsible for defending such legislation in constitutionality claims, the AGO assumes the nature of the provisions could create fiscal impact. Therefore, the AGO assumes costs to be unknown, but less than \$100,000.

Officials at the **Office of the Secretary of State (SOS)** also assume unless a special election is called for the purpose, Joint Resolutions are submitted to a vote of the people at the next general election. If a special election is called to submit a Joint Resolution to a vote of the people, section 115.063.2 RSMo requires the state to pay the costs. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people and Article XII section 2(b) authorizes the governor to call a special election to submit constitutional amendments to a vote of the people.

The SOS is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article I, Section 26, 27, 28 of the Missouri Constitution and Section 116.230-116.290, RSMo. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session.

Funding for this item is adjusted each year depending upon the election cycle with \$1.3 million historically appropriated in odd numbered fiscal years and \$100,000 appropriated in even numbered fiscal years to meet these requirements. The appropriation has historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2009, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$1.35 million to publish (an average of \$270,000 per issue). Therefore, the Secretary of State's office assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. However, because these requirements are mandatory, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly change

ASSUMPTION (continued)

the amount or eliminate the estimated nature of our appropriation.

Oversight has reflected in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this joint resolution voted on during a special election in fiscal year 2011. This reflects the decision made by the Joint Committee on Legislative Research, that the cost of the elections should be shown in the fiscal note. The next scheduled general election is in November 2010 (FY 2011). It is assumed the subject within this proposal could be on that ballot; however, it could also be on a special election called for by the Governor. Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2011.

To estimate the expense the state would incur for reimbursing local political subdivisions for a special election, **Oversight** requested expense estimates from all election authorities for an election. Eighty-six out of the one hundred fifteen election authorities responded to Oversight's request. From these respondents; the total election expense that would have to be reimbursed by the state government is over \$7 million. Therefore, Oversight will reflect a potential cost borne by the state in FY 2011 of over \$7 million for reimbursement to the local political subdivisions. Oversight assumes the Governor could call for a special election to be held prior to November, 2010 regarding this joint resolution; however, if a special election is not called, the subject will be voted on at the general election in November, 2010.

Officials from the **Platte County Board of Elections** state this proposal takes effect January 1, 2012 and would result in \$108,350 in costs in fiscal years 2012 and 2013 based upon 5 elections per year.

Officials from the **Jackson County Elections Board (JCEB)** assume the bill states that if there is no funding for the election authorities, they do not have to conduct early voting. Between poll rental, judges, delivery costs, legals and other incidentals, it will cost the Jackson County Election Board with three senatorial districts \$20,500 for August and \$20,500 for November. This does not include the fact that with two satellite offices and using our office as a voting center, we will have to figure out how to have the satellite offices on a secured internet connection for real time updates to make sure no one tries to vote at one of the other locations. If early voting is treated the same as absentee voting with envelopes, it would be necessary for the JCEB to purchase a high-speed counter to count the ballots on election day at a one-time cost of \$40,000.

ASSUMPTION (continued)

Officials from **Bates County, Camden County, Clay County Board of Elections Commission**, and the **St. Louis County Board of Elections** did not respond to our request for fiscal impact.

Oversight assumes local election authorities could incur additional costs with advance voting starting after January 1, 2012. Therefore, Oversight will show a potential cost to local political subdivisions starting in FY 2012. Oversight assumes this potential costs will be reimbursed by the Office of the Secretary of State. Oversight assumes additional legislative action would be required to enact advance voting and voter ID requirements.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
GENERAL REVENUE			
<u>Expense</u> - reimbursement of local political subdivisions for special election costs	\$0 or (More than <u>\$7,000,000</u>)	\$0	\$0
<u>Expense</u> - Office of the Secretary of State - reimbursement of local political subdivisions for advance voting	<u>\$0</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or (More than <u>\$7,000,000</u>)	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - cost reimbursement from the State for special election	\$0 or More than \$7,000,000	\$0	\$0
<u>Expense</u> - cost for special election	\$0 or (More than \$7,000,000)	\$0	\$0
<u>Income</u> - cost reimbursement from the State for advance voting	\$0	\$0 or Unknown	\$0 or Unknown
<u>Expense</u> - costs for advance voting	<u>\$0</u>	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Upon voter approval, this proposed constitutional amendment allows for advance voting for elections held after January 1, 2012. The proposed constitutional amendment also allows for a person seeking to vote to identify himself or herself as a citizen of the United States of America and a resident of the state of Missouri.

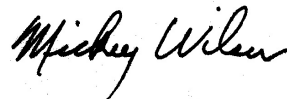
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State
Office of the Governor
Department of Revenue
Office of the Attorney General
Department of Health and Senior Services
Jackson County Election Board
Platte County Board of Elections

NOT RESPONDING:

Bates County
Camden County
Clay County Board of Elections Commission
St. Louis County Board of Elections



Mickey Wilson, CPA
Director
May 11, 2010